

CORPORATE AND POSTAL BUSINESS LAW SECTION
LAW DEPARTMENT



November 5, 2021

Hon. Erica A. Barker, Secretary
Postal Regulatory Commission
901 New York Avenue, NW, Suite 200
Washington, DC 20268-0001

Dear Ms. Barker:

In accordance with Commission Order No. 5591, issued July 20, 2020 in Docket No. MT2020-2, the Postal Service hereby submits the attached Extended Mail Forwarding market test data collection report for Fiscal Year 2021, Quarter 4.

If you have any questions, please do not hesitate to contact me.

Best regards,

Sean C. Robinson
Attorney
Pricing and Product Support

PRC REPORT FY21 Q4

PROGRAM: Extended Mail Forwarding Marketing Test

LAUNCH DATE FOR MARKET TEST: August 1, 2020 (only includes data for 9 districts)

TIME PERIOD OF EVALUATION: July 1, 2021 through September 30, 2021 (includes nationwide data by Area)

DESCRIPTION: For a fee, Extended Mail Forwarding will provide customers who submit a permanent change-of-address (COA) request with the option to extend their mail forwarding in six-month increments (up to three six-month extensions) of all First-Class Mail, First-Class Package Service Commercial, and Priority Mail mailpieces beyond the initial 1 year forwarding period.

METRICS:

1) Number of Extensions

Area	# of 6 Month Extensions	# of 12 Month Extensions	# of 18 Month Extensions	Total Extensions
Atlantic	48,362	29,144	14,062	91,568
Central	28,048	15,687	6,714	50,449
Southern	45,966	23,407	10,600	79,973
Western-Pacific	58,418	33,075	16,761	108,254
Other (Military ZIP Codes)	57	29	8	92
Total	180,851	101,342	48,143	330,336

Source: Extended Mail Forwarding Monthly Push Report

2) Revenue

Area	Revenue from 6 Month Extensions	Revenue from 12 Month Extensions	Revenue from 18 Month Extensions	Total Revenue
Atlantic	\$964,821.90	\$872,862.80	\$561,776.90	\$2,399,461.60
Central	\$559,557.60	\$469,825.65	\$268,224.30	\$1,297,607.55
Southern	\$917,021.70	\$701,039.65	\$423,470.00	\$2,041,531.35
Western-Pacific	\$1,165,439.10	\$990,596.25	\$669,601.95	\$2,825,637.30
Other (Military ZIP Codes)	\$1,137.15	\$868.55	\$239.70	\$2,245.40
Total	\$3,607,977.45	\$3,035,192.90	\$1,923,312.85	\$8,566,483.20

Source: Extended Mail Forwarding Monthly Push Report

3) Number of customers and ratio of individuals, families, and businesses

Area	# of Extensions by Individuals	# of Extensions by Families	# of Extensions by Businesses	Total Customers
Atlantic	52,378	32,904	6,286	91,568
Central	26,967	20,118	3,364	50,449
Southern	41,183	33,223	5,567	79,973
Western-Pacific	60,050	40,029	8,175	108,254
Other (Military ZIP Codes)	37	55	0	92
Total	180,615	126,329	23,392	330,336

Area	% of Extensions by Individuals	% of Extensions by Families	% of Extensions by Businesses
Atlantic	57%	36%	7%
Central	53%	40%	7%
Southern	51%	42%	7%
Western-Pacific	55%	37%	8%
Other (Military ZIP Codes)	40%	60%	0%
Total	55%	38%	7%

Source: Extended Mail Forwarding Monthly Push Report

a. Volume of mailpieces forwarded

Month	EMF Customers	Forwarded Pieces	Customers Not EMF	RTS/Wasted Pieces
July	28,577	46,401	2,784,024	14,097,732
August	30,840	50,232	2,973,110	15,666,962
September	33,398	53,718	2,802,481	13,748,297
Total	92,815	150,351	8,559,615	43,512,991

Source: Extended Mail Forwarding Forwarded Volume Monthly Push Report

4) Attributable costs

Description	Individual Cost	Number of Items	Total Cost
Development Costs			
Server Purchase	N/A	20 servers	\$281,167.60
RSS Development and Testing	N/A	N/A	\$32,393.48
COA and MGO Development and Testing	N/A	N/A	\$157,545.69
Attributable			
IT Maintenance - FY 2020*	\$1,622.40	20 servers	\$32,448.00
RSS - Clerk Transaction (~2.88 min per request)**	\$4.36	350	\$1,526.00
Total			\$505,080.77

*Source: Engineering – Delivery & Retail Systems, National Change of Address (NCOA), Computer Operations,

**FY20 Window Cost Study

The attributable costs for Extended Mail Forwarding include both fixed and variable costs. The IT Maintenance costs are associated with maintenance of 20 dedicated servers, which is a fixed cost associated with offering the service, regardless of the quantity or location of the requests. Therefore, the IT Maintenance costs are not reported by district. The RSS – Clerk Transaction costs are variable, based on the number of Extended Mail Forwarding requests that are processed at a retail window and can be broken down by Area (see table below).

Area	Individual Cost*	# RSS requests**	Total Cost
Atlantic	\$4.36	96	\$418.56
Central	\$4.36	97	\$422.92
Southern	\$4.36	67	\$292.12
Western-Pacific	\$4.36	90	\$392.40
Other (Military ZIP Codes)	\$4.36	0	\$0.00
Total		350	\$1,526.00

*Source: Engineering – Delivery & Retail Systems, National Change of Address (NCOA), Computer Operations, FY20 Window Cost Study

**Source: Extended Mail Forwarding Monthly Push Report

Note: All Extended Mail Forwarding request for Military ZIP Codes were submitted via usps.com

5) Comparison by Quarter

Quarter	Revenue	Extensions	EMF Customers	Forwarded Pieces	Customers Not EMF	RTS/Wasted Pieces
Q1	\$7,958,925.30	313,694	4,041	6,925	7,478,942	39,618,207
Q2	\$9,408,035.05	370,499	25,933	46,820	6,872,395	33,803,040
Q3	\$8,882,605.80	341,684	68,153	111,735	8,315,701	41,698,839
Q4	\$8,566,483.20	330,336	92,815	150,351	8,559,615	43,512,991
Total	\$34,816,049.35	1,356,213	190,942	315,831	31,226,653	158,633,077

Source: Extended Mail Forwarding Forwarded Volume Monthly Push Report